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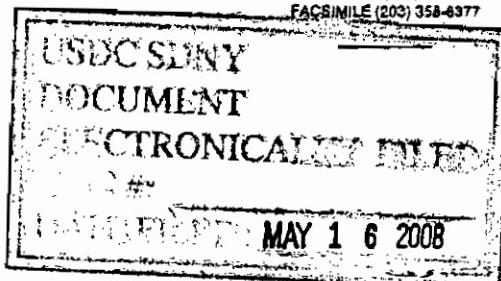
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May 16, 2008



Our Ref: 584-07/PJG

Via Fax - 212 805-0426

Honorable Laura T. Swain
 United States District Judge
 Daniel Patrick Moynihan
 United States Courthouse
 500 Pearl Street, Room 755
 New York, New York 10007

MEMO ENDORSED

Re: Double Happiness Shipping Company Limited
 v. Cosmotrade Exports S.A.
 07 CV 4615 (LTS)

Dear Judge Swain:

We represent the Defendant in the captioned action and write with respect to our pending motion for an Order directing the Plaintiff to post counter security.

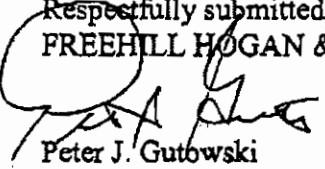
In the Plaintiff's opposition papers filed earlier this month, the Plaintiff confirmed that it has no substantive objection to the application, but requested that the application be held in abeyance until the end of this month, as the parties were still endeavoring to reach a final agreement on the wording for voluntary counter security. To the extent the Plaintiff accurately describes the situation, the Defendants have no objection to this request and would therefore ask that the Court hold the motion over until the end of the month to see if the parties can in fact work out a final deal which would obviate the need for the Court to deal with the application.

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Should that effort fail, however, we will revert to the Court during the first week in June to so advise the Court of the status and to request that an order be entered should one be necessary.

We thank the Court for its attention to the foregoing and provided this meets with the Court's approval, we will revert during the first week of June as to the status if the matter is not resolved by then.

Respectfully submitted,
FREEHILL HOGAN & MAHAR LLP

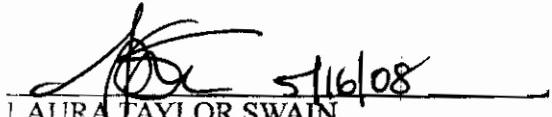

Peter J. Gutowski

PJG:mjg

cc: Via Email - tbelknap@BlankRome.com
Blank Rome LLP
Attn: Thomas H. Belknap, Jr., Esq.

The Court will await further word from the parties as outlined above.

SO ORDERED.


LAURA TAYLOR SWAIN
UNITED STATES DISTRICT JUDGE